

3/13/15

9:55 A.M.

Chapter No. 313
15/HR26/R1456
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HOUSE BILL NO. 1097

Originated in House



Clerk

HOUSE BILL NO. 1097

AN ACT TO AMEND SECTION 49-17-87, MISSISSIPPI CODE OF 1972, TO ALLOW FOR THE REPAYMENT OF WATER POLLUTION CONTROL REVOLVING FUND LOANS WITHIN THE MAXIMUM TIME ALLOWED BY FEDERAL LAW; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. Section 49-17-87, Mississippi Code of 1972, is amended as follows:

49-17-87. (1) A political subdivision which receives a loan from the revolving fund or emergency fund is required to and authorized to pledge for the repayment of such loan (a) any part of the sales tax reimbursement to which it may be entitled under Section 27-65-75, and (b) any part of the homestead exemption annual tax loss reimbursement to which it may be entitled under Section 27-33-77, to meet a repayment schedule set forth in a loan agreement. The loan agreement shall provide for (i) monthly payments, (ii) semiannual payments or (iii) other periodic payments, the annual total of which shall not exceed the annual total for any other year of the loan by more than fifteen percent

(15%). The loan agreement shall provide for the repayment of all funds received from the revolving fund within * * * the maximum time allowed by federal law after project completion and repayment of all funds received from the emergency fund within not more than ten (10) years from the date of project completion. The * * * Department of Revenue shall pay to the revolving fund or emergency fund monthly, or as often as is practicable, from the amount, which would otherwise be remitted to a political subdivision from its sales tax reimbursement or homestead exemption annual tax loss reimbursement, the amounts set forth in such loan agreement.

(2) Before any political subdivision shall receive any loan from the revolving fund or the emergency fund, it shall have executed with the * * * Department of Revenue and the commission a loan agreement evidencing that loan. The loan agreement hereinabove provided for shall not be construed to prohibit any recipient from prepaying any part or all of the funds received.

(3) As determined by the commission, any political subdivision desiring to construct a project approved by the department and which receives a loan from the state for that purpose may be required to pledge as security for the repayment of that loan, all or any part of the revenues of any project constructed, improved, repaired, replaced, purchased or refinanced with the proceeds of such loan. Whenever any project is a part of a system or combined system, then all or any portion of the

revenues of that system or combined system may be pledged to secure repayment of a loan as determined by the commission.

The loan agreement shall provide for periodic payments, the annual total of which shall not exceed the annual total for any other year of the loan by more than fifteen percent (15%). The repayment schedule shall provide for the repayment of all funds received from the revolving fund within * * * the maximum time allowed by federal law after project completion and repayment of all funds received from the emergency fund within not more than ten (10) years from the date of project completion. Payments under the loan agreement shall be made prior to the payments of principal or interest on any bonds issued by the political subdivision in connection with the project or projects to which loans from the revolving fund or emergency fund are made.

The State Auditor, upon the request of the commission, shall audit the receipts and expenditures of each district whose monthly payments are to be received by the department, and if the State Auditor should find the political subdivision in arrears, the Auditor shall immediately begin withholding from funds due the taxing district in which the political subdivision is located, under Section 27-33-41, an amount equal to the payment due plus accrued interest, late charges and expenses incurred in the audit and issue a warrant for that amount to the revolving fund or emergency fund as directed below.

The loan agreement hereinabove provided for shall not be construed to prohibit any recipient from prepaying any part or all of the funds received.


(4) Loans or any bonds or other evidences of indebtedness which are incurred or issued either pursuant to this chapter or Section 31-25-1 et seq., in relation to this chapter, or pursuant to any other law as evidence of any loan made or indebtedness incurred pursuant to this chapter, shall not be deemed indebtedness within the meaning specified in Section 21-33-303, with regard to cities or incorporated towns, in Section 19-9-5, with regard to counties, and in any other state law establishing a similar indebtedness limitation with regard to political subdivisions other than cities, incorporated towns and counties.

SECTION 2. This act shall take effect and be in force from and after July 1, 2015.

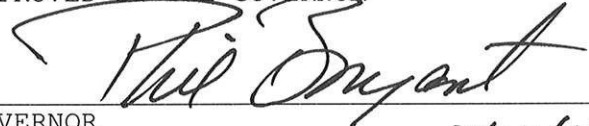
PASSED BY THE HOUSE OF REPRESENTATIVES
January 28, 2015


SPEAKER OF THE HOUSE OF REPRESENTATIVES

PASSED BY THE SENATE
March 5, 2015


PRESIDENT OF THE SENATE

APPROVED BY THE GOVERNOR


GOVERNOR
3/13/15
9:55 AM